

# Can't pay the tax you owe?



## If you believe you may have trouble paying your tax bill

### DO

- File timely to avoid penalties and interest
- Pay what you can by April 15\*
- Check out your options at [IRS.gov/payments](https://www.irs.gov/payments)

### DON'T

- Be afraid
- Panic
- Delay

The Internal Revenue Service recognizes that some unforeseen events may cause you to have a tax consequence when you file your return. If this happens, the IRS can help you meet your tax obligations.

## File your tax return and pay what you can

If you can't pay the full amount of taxes you owe, don't panic. Submit your return on time and pay as much as you can with your tax return. The more you can pay by the filing deadline, the less interest and penalty charges you will owe. Penalties may be waived for some whose tax withholding and estimated tax payments fell short in 2018 and owe money.

Taxpayers who can't meet the filing deadline can request an extension of time to file. However, an extension of time to file is not an extension of time to pay. Taxes are still due by the April filing deadline. You can get an automatic six-month extension when you make a payment with IRS payment options, including [Direct Pay, debit or credit card, or EFTPS](#) and select Form 4868 or extension. If you do so, there's no need to file Form 4868, Application for Automatic Extension of Time to File a U.S. Individual Income Tax Return.

## Payment options

Taxpayers who owe but can't pay in full have several options for meeting their tax obligations. However, a payment arrangement should be your last resort after you have tried other options to pay your tax liability in full.

The IRS may be able to provide some relief such as a short-term extension to pay (paid in 120 days or less), an installment agreement, an [offer in compromise](#), or by temporarily delaying collection by reporting your account as currently not collectible, until you are able to pay. In some cases, the Agency may be able to [waive penalties](#). However, the Agency is unable to waive interest charges which accrue on unpaid tax bills.

You can use the [Online Payment Agreement](#) application on [IRS.gov](https://www.irs.gov) to request an installment agreement if you owe \$50,000 or less in combined tax, penalties and interest and file all returns as required. An installment agreement allows you to make payments over time, rather than paying in one lump sum. If you owe more than \$50,000, you may still qualify for an installment agreement, but you will need to complete a [Collection Information Statement, Form 433-A](#).

The IRS offers various electronic payment options to make a full or partial payment with your tax return. Taxpayers who e-file their return may use the electronic funds withdrawal option for submitting a payment. You can even e-file before the deadline and schedule your payment for withdrawal any day up to the April 15\* deadline. There are many free options to submit your payment online, by phone or with your mobile device using the [IRS2Go app](#). Taxpayers should visit [IRS.gov/payments](https://www.irs.gov/payments) to pay their federal taxes anytime throughout the year. Taxes must be paid by the original due date to avoid interest and penalty payments.

## How to avoid a large tax bill

The federal tax system operates on a pay-as-you-go basis. Taxpayers who pay enough tax throughout the year can avoid a large tax bill and subsequent payment penalties when they file their return. One way to avoid owing a balance is to correctly calculate and adjust how much tax you have withheld from your wages. The [Tax Cuts and Jobs Act](#) changed the way tax is calculated. The IRS encourages those with employment income to check their withholding at the beginning of each year or when their personal circumstances change. The [IRS Withholding Calculator](#) can help you determine the correct amount of withholding. Taxpayers who need to change the amount of tax withheld from their paychecks should complete a new [Form W-4](#) and give it to their employer. Estimated tax payments may be necessary for those who have insufficient withholding, self-employment income or income not subject to withholding. Visit [IRS.gov/payasyougo](https://www.irs.gov/payasyougo) to learn more about withholding and to determine if you should be making estimated tax payments.

\*The 2019 filing deadline is April 15, 2019 for most taxpayers. Taxpayers who live in Maine or Massachusetts have until April 17, 2019, to file because of the Patriots' Day holiday in those states and the April 16 Emancipation Day holiday in the District of Columbia.